VZCZCXYZ0000 RR RUEHWEB

DE RUEHRB #1392/01 2021907 ZNY CCCCC ZZH R 211907Z JUL 06 FM AMEMBASSY RABAT TO RUEHC/SECSTATE WASHDC 4301 INFO RUEHAS/AMEMBASSY ALGIERS 4088 RUEHAM/AMEMBASSY AMMAN 0517 RUEHLB/AMEMBASSY BEIRUT 0395 RUEHDM/AMEMBASSY DAMASCUS 0597 RUEHDO/AMEMBASSY DOHA 0815 RUEHKU/AMEMBASSY KUWAIT 1384 RUEHMK/AMEMBASSY MANAMA 0995 RUEHRH/AMEMBASSY RIYADH 0628 RUEHYN/AMEMBASSY SANAA 1185 RUEHTV/AMEMBASSY TEL AVIV 3463 RUEHTU/AMEMBASSY TUNIS 8974 RUEHCL/AMCONSUL CASABLANCA 1920 RUEHJM/AMCONSUL JERUSALEM 1879

CONFIDENTIAL RABAT 001392

SIPDIS

NOFORN SIPDIS

STATE FOR NEA/OFI, NEA/MAG AND DAS CARPENTER

E.O. 12958: DECL: 07/21/2016

TAGS: EAID ECON KDEM PGOV SCUL KMPI MO

SUBJECT: MISSION PLAN FOR ADVANCING DEMOCRATIC REFORMS IN

MOROCCO: STATUS REPORT #5

REF: A. 05 STATE 806071 1B. RABAT 668

Classified By: DCM WAYNE J. BUSH FOR REASONS 1.4 B & D

¶1. (U) Per ref A Action Request, Post submits the following quarterly assessment of its Democratic Reform Strategy as outlined in ref B. Our report is keyed to the Milestones (M) and Tactics (T) outlined in our strategy and provides an update through June 30, 2006. Update narratives contain both a summary of GOM progress towards the Milestone and executed or pending post activities to implement the Tactics.

12. (C) Objective One: Competent, Effective, Responsive Government

- M: Morocco maintains MCA eligibility by meeting reform criteria for FY 06, October 2005.
- -- Assessment: On November 8, 2005, the USG announced that Morocco had successfully maintained its MCA eligibility for FY06. Consistent lobbying by post and consultation with the GOM helped lead to the successful completion of this milestone.
- M: Political parties implement the political party law currently under consideration in parliament making parties more transparent, effective, democratic and responsive, December 2005.
- T: Direct post and MEPI implementer engagement with political parties to encourage adoption and application of the new law.
- -- Assessment: We have achieved substantial progress in this field. While the new political party law has been passed by Parliament, post continues to work with political parties to help them understand the law and implement it more fully. Ambassador Riley has advocated on

this subject repeatedly, most recently with leading political parties from March to May 2006. Previously, Ambassador raised this issue with the Speaker of the Parliament and the Minister of Justice, and post helped organize two roundtable debates with Members of Parliament (MP), civil society, and academics on the political party law. MEPI/USAID implementer NDI is preparing a training seminar on implementation of the new law.

- M: Parliament improves its capacities to meet its constitutional responsibilities by 1) adopting a new external communication strategy, December 2005; 2) asserting its authority to review, adopt, and monitor the national budget, December 2006.
- T: MEPI implementers and USAID's Parliament Support Project provide the technical assistance required.
- -- Assessment: Post has been successful in these efforts and both indicators specified in this milestone have been achieved. Drawing upon project-funded oversight training, the Finance Chairman of the lower house successfully challenged the GOM when it introduced an amendment to the budget that neither house had approved. The Parliamentary Support Project has assisted with the development of a communications strategy for Parliament and the procurement of communications advisory services. The Chamber of Representatives has recently approved the recommended communication strategy to use as an internal roadmap to improve its public dialogue.
- M: Enhance the availability and delivery of local government services in response to citizen priorities by improving access to private financial markets through a

municipal credit rating system, December 2006.

- T: Implement USAID Local Governance and Transparency Program providing specific performance measures to strengthen the management and financial capacity of local governments.
- -- Assessment: Mission has made limited progress in this field to date. It has used the detailed performance measures developed by Research Triangle Institute to assess the program and initial assessments will soon be conducted to identify pilot municipalities. Progress has been made in the development of information systems through the USAID project, promoting public access to information used for decision making. This milestone will not be achieved by December 2006.
- M: Coordination between public authorities and civil society improves as evidenced by MCA national compact consultations, January 2006.
- T: Use MEPI and Mission events to promote coordination between Moroccan government and civil society.
- -- Assessment: Partial progress has been achieved as the consultative process expanded to the national level. On March 28-29, the GOM hosted a national consultative workshop with 400 participants including civil society, universities, and the private sector. Several regional meetings were subsequently and attended by MCC Associate Director for Morocco. MCC also visited Morocco in April and June to discuss the consultative process with the GOM and NGOs.
- M: Parliamentary passage of banking sector reform law, 2005; implementation of banking reform law and Central Bank reform law, January 2006; parliamentary passage of anti-money laundering legislation, January 2006.
- -- Assessment: The bank reform bill and the Central Bank reform law have been passed and are in the implementation stage. However, this milestone is only a partial success because Anti-Money Laundering (AML) legislation has not

yet been passed. However, after a three-year delay, the GOM's Council of Government approved AML legislation. Next, it must be approved by the Council of Ministers and the Parliament. Ambassador has met and discussed the importance of AML legislation with the presidents of Morocco's leading banks.

# 13. (C) Objective Two: Inclusion and Opportunity

M: Increased awareness of family code reforms on the part of citizens, judges and other public authorities, especially in rural areas as witnessed through increased use and application of the provisions of the family code, December 2006.

- T: Use MEPI and small grants programming to disseminate the new reforms in imaginative and effective ways; signed the USAID/MEPI Grant program for the development of learner-friendly literacy materials on the family code in July 2005; support an extension of current MEPI-funded activities.
- -- Assessment: Post's reform programs have achieved partial success in supporting implementation of the Family Law Code (Moudawana). However, no systematic GOM effort to raise awareness of the law, particularly amongst rural women, exists and civil society activists are concerned the reforms are not "trickling down." MEPI programs are helping to fill the gap. For example, the judicial training program will ensure that Moudawana awareness is incorporated into the continuing legal education system and

the training of new judges. However, this program is at its inception. Post was successful in its efforts to obtain an additional USD 300,000 in MEPI and ESF funding for the next phase of the Global Rights' project of working with local NGOs and associations to raise awareness of the Moudawana.

- M: Expand the number of literate Moroccans, including adults, October 2005.
- T: The USAID MEPI-funded Literacy program, launched in July 2005 with classes focusing on literacy for adults, particularly women in rural areas beginning October 2005. Open ESF-funded new girls' homes enabling rural girls to continue education beyond the sixth grade.
- -- Assessment: Post awarded grants to four NGOs in different parts of the country to open dormitory-style girls homes. In December 2005, AED awarded MEPI-funded grants to 16 Moroccan NGOs for literacy programs. Each NGO is training 100 women and will participate in the development of literacy training material based on the Moudawana. Additionally, 1050 women are receiving literacy training from ALEF.
- M: Increase the relevance of education opportunities for Moroccan young people (as measured by decreased student drop out rate in the educational system, through 9th grade, especially among girls and by access to vocational training), November 2005.
- T: USAID's integrated basic education and vocational training program.
- -- Assessment: The basic education and vocational training program is on track however, the milestone indicator will take more time to achieve. The CISCO network training program has shown promising results after the first cycle. CISCO has delivered job preparedness training to 300 students. Of these students, 238 completed the training and 35 percent of them found a job within three months. An additional 10 percent are continuing their education. One hundred recipients of

Women in Technology scholarships are taking CISCO network training at the USAID-supported CISCO Academies with the first students having graduated in summer 2005.

- M: FTA Implementation begins, January 2006.
- T: MEPI and USAID-funded technical assistance ongoing. A USD 1 million MEPI-funded Commercial Law Development Program (CLDP) Legal Review has been completed and a second one for USD 1 million will be implemented this fiscal year.
- -- Assessment: This milestone has been successfully completed as the FTA went into effect on January 1, 2006. CLDP designing programs to maximize effectiveness of additional USD 1 million MEPI FTA implementation funds. These will focus largely on transparency and customs facilitation. USAID has launched its largely ESF-funded New Business Opportunities, New Business Environment and Agro-Business programs. Nearly USD 10 million in MEPI FTA implementation technical assistance distributed. USPTO IPR training and the final year of IESC Morocco Fast Track Trade Program still pending completion.
- M: Expanded understanding and enforcement of Morocco's new labor code and labor requirements of U.S. Free Trade Agreement, December 2006.
- T: USD 3.0 million in DOL/ILAB grants to ILO to train labor inspectors, labor unions and employers in new labor code and disseminate public information concerning new code.
  MEPI USD 500,000 grant for Moroccan-hosted regional conference to promote labor standards and explain FTA labor

requirements and to defray costs of Moroccan participation in December 2005 conference in Oman.

-- Assessment: Programs within this milestone are underway. A chief technical advisor (CTA) selected by USDOL and ILO conducted an intensive training program of the GOM Labor Inspectorate in 2005. USDOL joined with the GOM and USTR in hosting a MEPI-sponsored North Africa Middle East Labor Dialogue in Rabat and a total of 65 Middle East representatives took part. The first phase of a labor code training project ended in June 2005 with 310 labor inspectors and 43 regional employment representatives receiving training. As a result, the number of successful labor mediations has increased and the number of days lost to strikes diminished by 27 percent in 2005 compared to 2004.

The second phase, to teach 30 inspectors how to train others in inspection methods, is now underway. An inspection strategy has been designed and published and training sessions are being coordinated on how to conduct a physical inspection. Phase three of the project, mediation and negotiation training, is now in the planning stage. Inspectors who have received training say it was very successful. Between April and June, plans for a study tour, and conducting seminars in Fez and Tanger were developed.

- M: MCA Compact concluded and MCC-funded reform projects begin, January-December 2006.
- T: U.S. Embassy and Washington visitors monitor and actively support MCA dialogue and compact finalization. MCC provides in-country permanent staff to support implementation and monitoring of MCA projects.
- -- Assessment: The GOM submitted its third compact proposal in May 2006. Negotiations continue with MCC to develop clear and measurable action plans that produce economic growth to qualify to use MCC funding. MCC personnel continue to visit Morocco on a regular basis to consult with the GOM, NGOs and other donors.
- M: Improve English Language instruction in Moroccan high and middle schools, September 2006.

T: Regional English Language Office and Bureau of ECA exchange programs to "train the trainer" in modern, content-based ELT methods that focus on practical language skills that enhance the marketability of graduates.

-- Assessment: This milestone has been successful in a number of different ways. The 2005, PAS's Summer Institute trained 54 Moroccan English teachers and it plans to teach 80 more in 2006. The English Language Specialists project is a low-cost program that reaches hundreds of Moroccan teachers and exposes them to U.S. best practices at workshops throughout Morocco. The E-Teachers program allows seven Moroccan English teachers to enroll in graduate level classes at American universities.

The MEPI-funded "English in a Box" program provided 44 sets of materials to youth centers throughout Morocco and 11 sets to English ACCESS Micro-scholarship schools. This innovative placement of materials brought excellent results including the most positive comments from students in the history of the program. PAS and ECA funded English language specialist Kathy Nyikos to conduct workshops on "Teaching in Large, Resource-challenged classes" to nearly 400 teachers in five Moroccan cities.

14. (C) Objective Three: Freedom of Expression

M: Legislation is passed to revise the existing press code

and decriminalize libel. Journalists previously jailed for libel freed, December 2005.

T: Provide MEPI-funded programs and IV programs on media law; distribute IIP products promoting a free press, design speaker programs to address press ethical practices and confidence building between the press and politicians, and advocate at all levels of Moroccan government for press freedom.

-- Assessment: We have had very limited progress in this field. Revision of the press code is not moving forward and the GOM has not yet submitted this legislation to Parliament. Work on the legislation is under way with discussions ongoing between the national press union, the Federation of Moroccan Publishers, and the Ministry of Communications. Journalists are out of prison, but heavy fines continue to be imposed on others.

The Ambassador has conducted advocacy on this issue with the Ministers of Communications and Justice. Ambassador, DCM and members of PAS continue to conduct advocacy related to press freedom with GOM officials and members of the press. Embassy is working with MEPI to target IREX activities at this reform objective.

M: Journalists adopt uniform, national, professional standards for journalism ethics leading to enhanced professional performance in media coverage, July 2006.

- T: Renew Mission outreach and training programs to professionalize the Moroccan media. Work with professional associations to encourage adoption of journalistic ethical standards.
- -- Assessment: This milestone has had limited progress. Legislation for the new press code, which is to establish a National Press Council to address ethics cases, has not been drafted yet. The current ethics committee of the National Press Union appears to be moribund. Moroccan newspapers have suffered a spate of libel cases that have resulted in disproportionately large damages. In some cases this threatens the financial viability of the papers. Morocco has relatively few libel cases, but it appears that the Moroccan judicial system is targeting independent print media.

In 2005, PAS conducted extensive outreach activities offering journalism and ethics training, sent 15 Moroccan journalists to the U.S. on various exchange programs and plans to send 10 to 15 more in 2006. In February 2006, a week-long speaker program brought top press editors, politicians and human rights advocates together to debate press freedom, as well as professional training to broadcast media students. In April 2006, a speaker program provided on-line investigative reporting training to regional correspondents in the Fes/Meknes region. MEPI contractor IREX is working to implement a regional media program, and will hold a conference in Morocco in September 2006 on Arab media and the media sustainability index.

- $\text{M:}\ \text{New licenses}\ \text{granted to radio}\ \text{and television}\ \text{outlets}\ \text{signaling liberalization}\ \text{of the broadcast media sector,}\ \text{February 2006.}$
- T: Utilize MEPI-funded programs to teach marketing and technical training for small radio station operators; implement IV program to encourage broadcast entrepreneurs; obtain training opportunities through IBB and Department of State programs to enhance professionalism among private and public broadcasters.
- -- Assessment: This milestone has been fully achieved. The governing body that is responsible for issuing licenses to new radio and television stations, Haute Autorite de la Communication Audiovisuelle (HACA), granted 11 new radio

licenses (including Radio Sawa) and one new television license in May 2006, heralding in a new era for the Moroccan broadcast media sector. More licenses are expected to be issued in approximately one year after the GOM has had a chance to gauge the effects on the Moroccan public of the first wave of new radio stations.

- M: Women prepare to launch candidacies for 2007 parliamentary elections, December 2006.
- T: MEPI and small grants to support women's representation in the formal political system, September 2005-April 2006.
- -- Assessment: Partial progress has been achieved, although it is still early to assess results. Women's groups have announced a goal of reserving 33 percent of parliamentary seats for women. USAID requested ESF support for women's political participation. MEPI has indicated there is support for encouraging women's participation in political processes, but no funding has been provided.
- M: Civil society organizations (CSO) assume their role in defining, expressing and addressing the priority policy concerns of organized groups of citizens, October 2006.
- T: Promote CSO participation in international and regional dialogues, including the Forum for the Future in Bahrain; Design and launch a USAID program for institutional capacity building and policy advocacy to support public participation (unfunded); MEPI grants to support activities aimed at building institutional capacity in civil society.
- -- Assessment: Post's programs have registered partial progress in this field. A MEPI SPA Grant partially funded Tanmia.ma, an NGO web portal that established focal point centers to get grassroots organizations "on-line." There was strong Moroccan participation in the Democracy Assistance Dialogue (DAD) for civil society meeting in Venice in July 2005, and Morocco hosted the DAD in October 2005 with strong civil society participation (and strong support from Embassy Rabat). This brought NGOs and government representatives from around the region together for a discussion of democracy. Three Moroccan NGOs attended the Forum for the Future, hosted by Bahrain, which offered civil society organizations an opportunity to share their work and recommendations. The GOM has worked for continued prominent roles for civil society in future Forum

for the Future meetings. The consultative process for MCC's Compact proposal expanded from the regional level to a national one that included a March 28-29 conference including universities, the private sector, NGOs, local associations, and the GOM.

- M: Youth acquire the civics knowledge and organizational skills to constructively contribute to democratic life in Morocco, December 2006.
- T: Design and launch a USAID program for creating youth organizations and civics education (unfunded); MEPI grants to support creation of youth organizations, civic education and the political participation of young people.
- -- Assessment: Progress in this milestone has been limited by a shortage of funds. USAID has made an initial proposal to USAID/Washington on youth support/participation programs focused on youth centers and organizations (this initiative is dependent on the availability of ESF funding). Arab CIVITAS has trained over 3,500 middle and high school students on its "Project Citizen" modules in addition to teachers and some university level students. This project was completed in January 2006, but received bridge funding through April. A three-year extension is under review, but can only move forward with adequate ESF funding, which was drastically reduced in FY06. USAID has been advocating for a pilot project for the use of alternative electronic media (podcasts and streaming audio/video ) to promote youth

participation/civics education under a program that supports innovative IT programming.

### 15. (C) Diplomatic Strategies

 ${\tt M:}$  Ongoing dialogue and advocacy on reform efforts by Ambassador, DCM and other Embassy officers with Moroccan officials and civil society.

-- Assessment: This milestone has been achieved and it continues to produce results. Ambassador and DCM have demarched key GOM interlocutors (including the MFA, the Prime Minister, and other Ministers) on reform objectives. Post organized roundtable exchanges between four separate Codels (Smith, King, Lugar and Lantos) and Parliamentarians on democracy and reform. Embassy conducted strong advocacy on freedom of expression with Ministries of Justice, Foreign Affairs and Communications. Ambassador lobbied key legislative and executive branch officials on FTA-related legislation, MCA, AML, and press freedom. MCC CEO Danilovich, the Ambassador and DCM met with civil society members in January. Also in January, Representative Lantos met with reformers.

 $\ensuremath{\mathtt{M:}}$  Vigorous public diplomacy programs targeting reform priorities.

-- Assessment: Post has been successful in this field. PAS continues to expand its outreach program to outlying areas through the Internet and speakers programs. Post used the Karen Hughes visit to reinforce the use of Dar America for youth-oriented outreach.

Previous efforts include PAS conducting regular outreach activities including guest speakers (such as one in February on freedom of expression in television reporting and confidence building between journalists and politicians), IV programs, media placements and targeted information distribution. Using PAS funding, provided Internet training for conducting research to journalists in seven smaller Moroccan cities. Dar America in Casablanca has organized one or more discussion programs each month on topics related to our overall reform strategy. In the first quarter of 2006, topics included the role of diversity in American society, the Civil Rights movement in the United States, the role of press in U.S. society, and

the changing role of women in the America. The Ambassador has spoken in a variety of public venues (including formal speeches and media interviews) advocating our reform agenda. During the first three months of 2006 public diplomacy efforts included the following: numerous meetings with senior level GOM officials, private sector representatives, Moroccan reformers and a press conference to discuss reform issues during the Lantos visit; the Ambassador's interview with L'Economiste newspaper to discuss the economic reforms of the FTA and its related political implications, the Ambassador's hosting of a meeting for 20 civil society representatives to discuss their participation in the formulation of the GOM's MCA compact proposal and the need for reform; a reception for the GOM's FTA negotiating team that was well attended by local media; and numerous interviews and press conferences during the visit of MCC's Danilovich to address reform issues.

- M: Semi-annual convening of the Assistant Secretary level strategic dialogue to set benchmarks and evaluate progress.
- -- Assessment: Ongoing. In May 2006, NEA Assistant Secretary Welch discussed reconvening the strategic

#### SIPDIS

dialogue with Minister of Foreign Affairs Benaissa. In March, Deputy Secretary Zoellick and Assistant Secretary Welch met with Deputy Foreign Minister Fassi Fihri and Moroccan Permanent Representative Sahel in Washington. Reform issues were discussed, especially freedom of

#### expression.

- M: CODEL and congressional staff involvement in visits to
- -- Assessment: Post has been successful in this milestone. In FY-05 CODEL Smith lobbied for banking reform and  $\mathtt{AML}$ Legislation, and conducted a successful roundtable with Parliamentarians on a range of political and economic issues. CODEL King discussed Morocco's democratic transition with Parliamentarians. Senator Lugar met with reformers, and the National Congress of State Legislators (NCSL) held a seminar for 40 parliamentary staff to improve research and communication. In FY-06 NCSL held a regional parliamentary workshop, bringing legislators and staff from Morocco, Algeria, and Tunisia together with three state senators from the legislatures of Alaska, Illinois and Nevada. In addition, a delegation from the American Council of Young Political Leaders met with parliamentary leaders and youth groups. In January 2006, Representative Lantos met with Parliamentarians, and in March Staffdel Phelan the House International Relations Committee/House Democracy Assistance Commission staffers met with Parliamentary staffers.
- $\ensuremath{\mathtt{M:}}$  MCC engagement with GOM and civil society on compact negotiations.
- -- Assessment: There has been progress in the consultative process. The MCC has visited Morocco 12 times (three times this quarter) and regularly promotes the consultative process between the GOM and civil society members. In March 2006, the GOM hosted a national workshop on the consultative process that included universities, NGOs, the private sector and other donor organizations. The GOM has hosted several other regional consultative meetings since then. Post continues to promote the consultative process to the GOM and it was the major subject of Jettou's visit to Washington in March.
- M: Regularly Scheduled USTR/MFA Meetings to review FTA implementation per the agreement text.
- -- Assessment: Progress has been very limited. The USTR needs to convene a series of meetings with the GOM (possibly starting with a Shaun Donnelly-Taib Fassi Fihri meeting), beginning with the agricultural committee

(tentatively scheduled for summer 2006). Previously, Post facilitated regular contact between USTR and the GOM, which led to the FTA's entry into force on January 1, 2006.

M: Intervention by senior officials on the margins of international fora to reiterate importance of reform in the region.

-- Assessment: Post's efforts have been successful in this milestone. In May, the Ministry of Foreign Affairs' Director for Bilateral Affairs, Yousef Amrani, attended the Forum for the Future preparation meeting in Moscow. Previously, U/S Burns met FM Benaisa in 2005 on the margins of UNGA and discussed reform issues. NEA DAS Carpenter met with Deputy Foreign Minister Taib Fassi Fihri on the margins of the DAD to discuss progress on Moroccan political openness. At the Forum for the Future, U.S. and Moroccan representatives consulted on the Fund for the Future. In January 2006, the Ambassador participated in a roundtable on reform organized by the Center for Strategic and International Studies.

## 16. (C) Programs Conducted with Additional Resource

M: English-Language Training: Provide English language training to up to 2,000 underprivileged young Moroccans, similar to the current English Access Micro-Scholarship

Program, in 10 of Morocco's cities where the disappointment, disaffection and disengagement of a large number of urban poor is a growing problem. In addition to the practical and marketable language skill this would provide, the program would also connect the students to the world outside of their disadvantaged neighborhoods, introduce them to American culture and values and, both through lesson content and targeted programs, encourage their participation in civil society.

- -- Assessment: This field has been very successful due to a variety of different programs. English Access Microscholarships provided English training to 576 young people, making Morocco's program the second largest in the world. AMIDEAST and Peace Corps-instructed summer camps also provided successful English instruction to Moroccan youth.
- M: Additional Media training.
- -- Assessment: We have had partial progress in this field. PAS secured funding for English language training for approximately 100 journalists in eight cities: Agadir, Casablanca, Fes, Marrakech, Meknes, Rabat, Tangiers and Tetouan through the American Language Centers. While some journalists are still enrolled in English courses and have made significant improvement, the drop out rate remains high.
- M: Increased civil society capacity building
- -- Assessment: Limited progress. MEPI RO conducted Strategic Planning for Local Organizations for Moroccan NGOs in Casablanca September 2005. USAID civil society programming assessment done in November 2005. Activities are being delayed due to a lack of funding. However, a new one-million dollar USAID ESF-funded civil society and elections program is in the design process.
- M: Additional Youth organizing/civic participation
- -- Assessment: Partial progress. Under Secretary for Public Diplomacy and Public Affairs Karen Hughes conducted extensive youth outreach during her visit in June. NDI is forming cadre of young officials by involving party youth movements in training programs. The embassy hosted an informal gathering of Moroccan youth in August 2005 to elicit views on issues of concern. Recommendation to

RILEY